

10720. RESOLUTION 13-33 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND MAVERICK AIR, LLC. AT THE NEW CASTLE AIRPORT

WHEREAS, The Delaware River and Bay Authority (the “Authority”), is the operator of the New Castle Airport (“Airport”); and

WHEREAS, Maverick Air, LLC (“Maverick”) desires to lease approximately 5,000 sq.ft of hangar space and 2,800 square feet of office/shop space located at 137 N. DuPont Hwy. commonly referred to as Hangar A at the Airport; and

WHEREAS, Maverick has agreed to pay the Authority annual rental in the amount of One Hundred Twenty-Six Thousand Five Hundred Twenty-Eight Dollars 72/100 (\$126,528.72); and

WHEREAS, the initial term of the lease agreement (“Agreement”) is for one (1) year; and

WHEREAS, Maverick shall have the option of renewing the Agreement for three (3) one (1) year periods; and

WHEREAS, rent shall be adjusted at the beginning of each option period by the Consumer Price Index (CPI).

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Maverick and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 13-33 was made by Commissioner Lathem, seconded by Commissioner Murphy, and approved by a roll call vote of 9-0.

Resolution 13-33 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Maverick Air LLC, regarding New Castle Airport

Committee: Economic Development

Committee Date: September 17, 2013

Board Date: September 17, 2013

Purpose of Resolution:

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the New Castle Airport.

Background for Resolution:

The Delaware River and Bay Authority owns a hangar facility located at 137 North DuPont Hwy. The hangar totals approximately 15,000 sq.ft of hangar and 2,800 sq.ft. of office/shop space. Maverick LLC wishes to lease approximately 35% this hangar space from the Authority to house corporate aircraft.

An updated appraisal was completed in January of 2013 and this rental rate meets the FMV. Tenant has been an occupant of this hangar space since the fall of 2001.